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LISTING STATEMENT No. 2271

LISTED AUGUST 23, 1967
3,160,000 common shares of \$1 par value each
Stock Symbol "RT"
Dial Quotation number 2163
Post Section 11

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

THE ROYAL TRUST COMPANY

Incorporated under the laws of the Province of Quebec by
Act of the Quebec Legislature 55-56 Victoria Ch. 79, (1892)
as subsequently amended, all as set out in Para. 4 hereof.

CAPITALIZATION AS AT 3rd AUGUST, 1967

SHARE CAPITAL

	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Common shares, par value \$1.00	5,000,000	3,160,000	3,160,000

FUNDED DEBT

Nil

9th August, 1967

1. APPLICATION

THE ROYAL TRUST COMPANY (hereinafter called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 3,160,000 common shares par value \$1.00 of the Company, of which 3,160,000 will be issued and outstanding as fully paid and non-assessable.

2. HISTORY

The Company was incorporated in 1892 under the the name of "The Royal Trust and Fidelity Co." by Act of the Legislature of Quebec. This name was changed in 1895 by an amending Act to "The Royal Trust Company". The Company operates through branches and incorporated subsidiaries in every Province in Canada, and through incorporated subsidiaries in England, Eire, the Channel Islands and the Bahamas.

3. NATURE OF BUSINESS

The Royal Trust Company performs the usual trust company services such as: Executor and Trustee under Wills, Trustee under Deeds of Trust, Manager of Investments, Real Estate manager and sales agent, Mortgage lender and administrator, Custodian of securities, issuer of Guaranteed Investment Receipts against deposits of short and medium term money, Passbook savings, Agent for preparation of Income Tax Returns, Transfer Agent and Registrar, Paying Agent for dividends and bond interest, Trustee for bond holders, Trustee, Manager and Custodian for Pension and Employee Benefit Plans, Trustee and Custodian for Non-Resident Insurance Companies; and generally as a Fiduciary and Financial Agent, etc. The Company as at 31st December, 1966 had 2,136 employees.

A summary of the Company's assets under administration and earnings for the last five years follows:

YEAR	ASSETS UNDER ADMINISTRATION	GROSS INCOME	NET PROFIT (AFTER TAXES)
1966	\$4,367,000,000	\$55,524,000	\$3,814,000
1965	3,996,000,000	43,496,000	3,253,000
1964	3,541,000,000	35,334,000	2,745,000
1963	3,266,000,000	29,435,000	2,010,000
1962	2,968,000,000	25,414,000	2,026,000

INCORPORATION

The Company was incorporated under the laws of the Province of Quebec. The Royal Trust Company was incorporated by Act of the Legislature of the Province of Quebec 55-56 Victoria Ch. 79, which said Act was amended by the Acts 55-56 Victoria, Ch. 80 (1892); 59 Victoria, Ch. 67 (1895); 63 Victoria Ch. 76 (1900); 6 Edward VII, Ch. 73 (1906); 17 George V, Ch. 96 (1927); 19 George V, Ch. 104 (1929), and 1-2 Elizabeth II, Ch. 145 (1952), 5-6 Elizabeth II, Ch. 169 (1957), 13 Elizabeth II, Ch. 110 (1964) and 16 Elizabeth II Bill 180 (1967).

SHARE ISSUES DURING PAST TEN YEARS

In November, 1899, the paid-up capital of the Company was \$250,000 with shares of \$100 par value. This was increased to \$500,000 in 1903, to \$700,000 in 1907, and to \$1,000,000 in 1909. In 1928 rights were offered to shareholders to subscribe to \$1,000,000 additional stock, on the basis of one new share for each share held, at \$150 per share. In February, 1930, the par value of the shares was reduced from \$100 to \$20, shareholders receiving five new shares of \$20 par value for each share of \$100 par value.

A by-law was confirmed at the annual meeting on February 9, 1943, to provide for the transfer of shares of the capital stock at certain branches of the company, as well as the company's head office in Montreal.

By S.L.P. granted in January, 1955, the stock was split on a four-for-one basis from 100,000 shares, \$20 par value to 400,000 shares \$5 par value; and the authorized capital was increased to 500,000 shares \$5 par.

Under an offering of rights, which expired March 31, 1955, shareholders purchased 50,000 shares (\$5. par) at \$20 per share; on the basis of one additional share for each eight shares held. Additional shares were taken up, 10,000 in 1955 and 5,000 in 1957, both by offerings to employees. This brought the number of shares outstanding to 465,000 at December 31, 1957.

At a special meeting on February 19, 1959, shareholders approved changes whereby authorized capital was increased from \$2,500,000 to \$5,000,000. On March 31, 1959, 100,000 shares, par value \$5, were issued, of which 93,000 shares were offered to shareholders of record February 19, 1959, on the basis of one share, at \$30 per share, for each five shares held; and 7,000 shares were made available for offering to senior employees from time to time.

On completion of these actions, issued capital increased from 465,000 to 565,000 shares (\$2,825,000) and the reserve increased from \$6,100,000 to \$8,600,000.

During 1962, 5,000 shares were issued to employees under company's stock purchase plan, bringing total number of shares outstanding to 570,000 (\$2,850,000) at December 31, 1962.

During 1965, 57,000 shares were issued under an offering of rights on the basis of one additional share for each ten shares held, and 5,000 shares were taken up through an offering to personnel for subscription over a five-year period, bringing the total number of shares outstanding to 632,000 shares as at December 31, 1965.

By Supplementary Letters Patent granted on 3rd August, 1967, the shares were subdivided 5 for 1, from par value \$5 to par value \$1.

STOCK PROVISIONS AND VOTING POWERS

Each common share carries one vote at all meetings of the shareholders. However, if a shareholder, or "associated" shareholders, as defined, acquire more than 10% of the shares, such holders lose the voting rights in respect of the excess over 10% of the shares that they hold. See Quebec Statute 16 Eliz. Bill 180 (1967), a summary of which will be printed on the reverse of each share certificate.

DIVIDEND RECORD

The Company has paid a dividend on its common stock continuously since 1900. Dividends in the last 10 years have been as follows:

		DIVIDENDS	RATE
1957	—	646,500	1.40
1958	—	697,000	1.50
1959	—	872,250	1.65
1960	—	961,000	1.70
1961	—	1,017,000	1.80
1962	—	1,017,000	1.80
1963	—	1,226,000	2.15
1964	—	1,283,000	2.25
1965	—	1,487,000	2.50
1966	—	1,738,000	2.75
1967	—		3.15

(The foregoing dividend history is based on par value \$5 shares which were subdivided five for one into par value \$1 shares as of August 3, 1967).

RECORD OF PROPERTIES

Through a wholly-owned subsidiary, Place d'Armes Realty Co. Ltd., the Company owns its office premises at Montreal (105 St. James St.), Toronto, Ottawa, Calgary, Kelowna and Victoria.

9.

SUBSIDIARY COMPANIES

The following are the principal companies, other than nominee companies for holding securities at branches, in which The Royal Trust Company has a substantial interest or control:

NAME OF SUBSIDIARY	NATURE OF BUSINESS	CAPITAL STOCK (SHARES)		DATE OF ACQUISITION
		ISSUED	BEN. OWNED	
The Bankers Trust Co.	Trust Co.	2,500	2,500	1922
The Royal Trust Co. of Canada	London, Eng. Branch	250,000	250,000	1948
The Royal Trust Co. of Canada (C.I.) Ltd.	Channel Islands Br.	20,000	20,000	1962
The Royal Trust Co. of Canada (Bahamas) Ltd.	Bahamas Br. (not active)	121,902	121,902	1956
The Royal Trust Co. of Canada (Ireland) Ltd.	Dublin Br.	50,000	50,000	1966
The Royal Trust Co. Mtge. Corp.	Mtge. Co.	17,000	17,000	1912
Place d'Armes Realty Co. Ltd.	Real Estate Holding Co.	7,100	7,100	1959
Doreal Investments Ltd.	" "	2,000	1,400	1958 & 1965
Royal Agencies Ltd.	Insurance Agency	500	500	1921
Chambers & Meredith	Real Estate firm	400	400	1964
Trend Realities Ltd.	" "	100	100	1961
Monroy Holdings Ltd.	" "	1,375	1,375	1962
Bahamas International Trust Company	Trust Co.	20,000	3,200	1957

10.

FUNDED DEBT

The Company has no funded debt.

11.

OPTIONS, UNDERWRITINGS, ETC.

There are two options to purchase Royal Trust stock outstandings as follows:

- (a) On 14th August, 1962 5,000 shares (P.V. \$5) were set aside for purchase by senior employees at \$44 a share, effective 1st November, 1962 and expiring 1st August, 1967. As of 1st June, 1967 a balance of 253 shares remains to be taken up.
- (b) On 19th January, 1965 5,000 shares (P.V. \$5) were set aside for purchase by senior employees at \$70 a share, effective 1st May, 1965 and expiring 1st February, 1970. As of 1st June, 1967 a balance of 1,720 shares remains to be taken up.

(All the shares under the foregoing options have already been issued and are held by a trustee for the optionees.)

12.

LISTING ON OTHER STOCK EXCHANGES

The Royal Trust Company stock has not previously been listed on any stock exchange. Concurrently with this application, the company is applying to the Montreal Stock Exchange to list its shares.

13.

STATUS UNDER SECURITIES ACTS

The Company has not been required to file a prospectus or registration with the Ontario Securities Commission, but is licensed to do business in Ontario and files with the Registrar under the Loan & Trust Corporations Act the detailed periodic returns required thereunder.

14.

FISCAL YEAR

The fiscal year of the Company ends on December 31st in each year.

15.

ANNUAL MEETINGS.

The By-Laws of the Company provide that the annual meeting of the Company shall be held at the head office of the Company in Montreal, Quebec, during the month of February.

16.

HEAD AND OTHER OFFICES

The head office is located at 105 St. James St. W., Montreal 1, Quebec, Canada. The Company has other offices at the following locations:

OFFICES ACROSS CANADA AND ABROAD

ST. JOHN'S, NFLD.	247 Duckworth Street
CORNER BROOK	Millbrook Shopping Centre
HALIFAX	Centennial Building
CHARLOTTETOWN	Dominion Building
SAINT JOHN, N.B.	Brunswick House
QUEBEC	65 Ste. Anne Street
TROIS-RIVIERES	154 Radisson Street
SHERBROOKE	150 Frontenac Street
MONTREAL	630 Dorchester Bld. W.
OTTAWA	76 Metcalfe Street
TORONTO	66 King Street West
KINGSTON	74 Brock Street
ST. CATHARINES	4 Queen Street
HAMILTON	105 Main Street East
LONDON, ONT.	289 Dundas Street
PORT ARTHUR	202 Arthur Street
SAULT STE. MARIE	350 Queen Street East
WINNIPEG	N.W. Broadway & Smith
REGINA	101 McCallum Hill Bldg.
SASKATOON	514-23rd Street East
EDMONTON	10039 Jasper Avenue
CALGARY	606-7th Avenue S.W.
LETHBRIDGE	323-7th Street South
KELOWNA	248 Bernard Avenue
VANCOUVER	626 West Pender Street
VICTORIA	1205 Government Street
DUBLIN 2, IRELAND	113 Grafton Street
LONDON, ENGLAND	3 St. James's Square
ST. HELIER, JERSEY,	
THE CHANNEL ISLANDS	33 Hill Street

17.

TRANSFER AGENT

The Transfer Agent of the Company is:

The Royal Trust Company. Interchangeable registers will be maintained at Halifax, Montreal, Toronto, Winnipeg, Calgary and Vancouver.

18.

TRANSFER FEE

No fee is charged on stock transfers other than the customary Government stock transfer taxes.

19.

REGISTRAR

The Registrar of the Company is:

The Bankers Trust Company at Halifax, Montreal, Toronto, Winnipeg, Calgary and Vancouver.

20.

AUDITORS

The auditors of the Company are:

Riddell, Stead, Graham & Hutchison, 630 Dorchester Boulevard, Montreal 2, Quebec.

21.

OFFICERS

The Officers of the Company are:

- J. Pembroke, C.B.E. (Chairman of the Board and Chairman of the Executive Committee).
- C. F. Harrington (President and Member of the Executive Committee).
- K. A. White (Executive Vice-President).
- J. F. Close, C.A. (Senior Vice-President, Financial).
- M. Forget (Senior Vice-President, Quebec Region).
- C. A. Jerry (Vice-President, Atlantic Provinces Region).
- R. W. Phipps (Vice-President, Western Region).
- R. S. Whyte (Senior Vice-President, Administration).
- R. J. Wilson (Senior Vice-President, Ontario Region).

A. H. Montgomery, O.B.E., T.D., F.C.A. (Vice-President, The Royal Trust Company and Chairman, The Royal Trust Company of Canada).
 E. A. M. Edson (Executive Assistant to the President).
 F. N. Haden (General Supervisor, Employee Development).
 H. K. D. Heming (Manager, Montreal Branch).
 V. G. Hobbes (General Supervisor, Investments).
 M. A. Jamieson (General Supervisor, Employee Relations).
 H. G. Kirtton, F.C.A. (General Supervisor, Personal Trust).
 R. T. LaPrairie (Comptroller).
 T. R. Lee (General Supervisor, Public Relations).
 A. V. L. Mills (Secretary).
 J. E. Peters (General Supervisor, Premises).
 A. Purdy (General Supervisor, Mortgages).
 J. M. Scholes (General Supervisor, Investments).
 L. S. L. Schurer (General Supervisor, Investments).
 J. W. R. Seattle (Manager, Vancouver Branch).
 H. E. Trenholme (General Supervisor, Corporate and Pension Trust).
 E. A. Wickens (General Supervisor, Investments).
 J. A. Worsley (Manager, Toronto Branch).

22.

DIRECTORS

The directors of the Company are:

- *Jack Pembroke, C.B.E., Chairman of the Board and Chairman of the Executive Committee.
- *Conrad F. Harrington, President.
- *William A. Arbuckle, C.A., Vice-President.
- Kenneth A. White, Executive Vice-President.

Honorary Directors:

Henry G. Birks
 Ralph B. Brenan - *Boym*
 *Alistair M. Campbell, F.I.A.,
 F.S.A.
 Harold P. Connor
 James B. Cross
 N. R. Crump - *Boym*
 *Thomas W. Eadie, LL.D. - *Boym*
 Charles P. Fell, LL.D. - *CTBC*
 Percy M. Fox, D.C.L., D.Sc.F.
 C. Antoine Geoffrion, Q.C.
 G. Blair Gordon
 H. M. Griffith
 Joseph Harris, LL.D.
 Harold Husband
 Leonard Hynes - *Boym*
 Arthur C. Jensen - *Boym*
 William S. Kirkpatrick - *Boym*

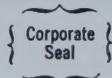
Howard J. Lang
 Louis A. Lapointe, Q.C.
 *M. W. Mackenzie, C.M.G. - *CTBC*
 The Hon. George C. Marler,
 P.C., M.L.C., LL.D.
 Jean Martineau, Q.C., LL.D.
 John W. McKee
 T. Rodgie McLagan, O.B.E. - *Royal*
 D. Ross McMaster, Q.C. - *Boym*
 Howard T. Mitchell - *mercantile*
 H. C. F. Mockridge, Q.C. - *Boym*
 T. H. P. Molson - *Boym*
 *John L. O'Brien, Q.C. - *BNS Royal*
 A. L. Penhale, D.C.L., D.Sc.
 A. C. Price
 Lucien G. Rolland, D.C.Sc. - *Boym*
 *H. Greville Smith, C.B.E. - *Boym*

Ross Clarkson, D.C.L.
 Honorary Chairman
 LaMonte J. Belnap
 George W. Bourke, LL.D.
 Norman J. Dawes
 R. J. Dinning, LL.D.
 Shirley G. Dixon, O.B.E., Q.C.
 B. C. Gardner, M.C., D.C.L.,
 LL.D.
 George W. Huggett
 Richard G. Ivey, Q.C., LL.D.
 Frederick Johnson
 R. E. Powell, LL.D.
 H. E. Sellers, C.B.E., LL.D.
 Jules R. Timmins, O.B.E., LL.D.
 D.Sc.

* Members of the Executive Committee.

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors on 7th February, 1967, The Royal Trust Company hereby applies for listing of the abovementioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



THE ROYAL TRUST COMPANY

Per: "A. V. L. MILLS",
 Secretary

DISTRIBUTION OF CAPITAL STOCK AS OF 1ST MAY, 1967

Number						Shares
1143	Holders of	1	—	99	share lots	50,453
688	" "	100	—	199	" "	89,546
296	" "	200	—	299	" "	72,662
121	" "	300	—	399	" "	41,143
79	" "	400	—	499	" "	35,096
195	" "	500	—	999	" "	126,884
119	" "	1000	—	up	" "	216,216
2641	Sharholders				Total shares	632,000

Note: The foregoing information is based on P.V. \$5 shares which were subdivided five for one into P.V. \$1 shares as of August 3, 1967.

FINANCIAL STATEMENTS

THE ROYAL TRUST COMPANY AND ITS WHOLLY-OWNED SUBSIDIARIES

CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 1966

ASSETS

ASSETS HELD FOR GUARANTEED ACCOUNT

	1966	1965*
Cash, bank deposit receipts and treasury bills	\$ 46,725,000	\$ 24,504,000
Secured demand loans	49,352,000	39,527,000
Securities — at cost (Note 2)	243,561,000	196,824,000
Mortgages — at cost (Note 3)	199,492,000	163,789,000
	<u>\$ 539,130,000</u>	<u>\$ 424,644,000</u>

OTHER ASSETS

Cash, bank deposit receipts and treasury bills	\$ 4,155,000	\$ 4,008,000
Secured demand loans, and advances to clients	6,909,000	6,887,000
Miscellaneous accounts receivable	1,493,000	781,000
Securities — at cost less reserve (Note 2)	12,662,000	8,863,000
Mortgages held by subsidiary — at cost (Note 4)	88,862,000	86,169,000
Investment in and advances to partially-owned companies at cost	1,599,000	1,599,000
Premises, equipment and leasehold improvements at cost less accumulated depreciation and amortization	9,107,000	8,529,000
Unamortized debenture discount of mortgage subsidiary	1,204,000	1,367,000
	<u>\$ 125,991,000</u>	<u>\$ 118,203,000</u>

This is the Balance Sheet referred to in our report of this date
RIDDELL, STEAD, GRAHAM & HUTCHISON
Chartered Accountants
Montreal, 23rd January, 1967

\$ 665,121,000 \$ 542,847,000

ASSETS UNDER ADMINISTRATION AS AT 31ST DECEMBER

	1966	1965
Funds and Investments of Estates, Trust and Agency Accounts under Administration — at nominal values — excluding Bond Trustee- ship and collateral held in that connection	\$3,701,800,000	\$3,452,832,000
Companies' Own and Guaranteed Account Assets	665,121,000	542,847,000
	<u>\$4,366,921,000</u>	<u>\$3,995,679,000</u>

*(Note 1)

LIABILITIES AND SHAREHOLDERS' EQUITY

GUARANTEED ACCOUNT — TRUST FUNDS FOR INVESTMENT

	1966	1965*
Investment Receipts (Note 5)	\$ 505,959,000	\$ 403,656,000
Savings	33,171,000	20,988,000
	<u>\$ 539,130,000</u>	<u>\$ 424,644,000</u>

LIABILITIES

Short term notes of mortgage subsidiary	\$ 27,691,000	\$ 18,227,000
Due to bank	917,000	5,147,000
Income tax and sundry liabilities	2,679,000	2,902,000
Preferred dividend payable by mortgage subsidiary	125,000	125,000
Debentures of mortgage subsidiary (Note 6)	55,898,000	55,898,000
	<u>\$ 87,310,000</u>	<u>\$ 82,299,000</u>

MINORITY INTEREST AND CONTINGENCY PROVISIONS

Accumulated tax reductions applicable to future years	\$ 134,000	\$ 164,000
Mortgage Contingency Provision	3,618,000	2,193,000
Preferred shares of mortgage subsidiary	5,000,000	5,000,000
	<u>\$ 8,752,000</u>	<u>\$ 7,357,000</u>

SHAREHOLDERS' EQUITY

Capital Stock		
Authorized — 1,000,000 shares of \$5.00 par value;		
Issued and fully paid — 632,000 shares	\$ 3,160,000	\$ 3,160,000
Reserve	24,000,000	23,000,000
Retained Earnings	2,769,000	2,387,000
	<u>\$ 29,929,000</u>	<u>\$ 28,547,000</u>
	<u>\$ 665,121,000</u>	<u>\$ 542,847,000</u>

*(Note 1)

Signed on behalf of the Board

JACK PEMBROKE
CONRAD F. HARRINGTON } Directors

The accompanying notes are an integral part of these financial statements.

THE ROYAL TRUST COMPANY AND ITS WHOLLY-OWNED SUBSIDIARIES
STATEMENTS OF CONSOLIDATED PROFIT AND LOSS, RETAINED EARNINGS AND RESERVE
ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 1966
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER

	1966	1965*
Income		
Fees and commissions	\$ 19,215,000	\$ 16,789,000
Income from investments	36,076,000	26,707,000
Net gain on disposal of premises	233,000	
	<u>\$ 55,524,000</u>	<u>\$ 43,496,000</u>
Expenses		
Interest paid	\$ 28,465,000	\$ 19,708,000
Salaries, pension contributions and other staff benefits	12,325,000	11,120,000
Other	7,304,000	6,331,000
	<u>\$ 48,094,000</u>	<u>\$ 37,159,000</u>
Profit before Income Taxes	\$ 7,430,000	\$ 6,337,000
Income Taxes	3,366,000	2,938,000
Net profit before dividends to preferred shareholders of mortgage subsidiary	<u>\$ 4,064,000</u>	<u>\$ 3,399,000</u>
Dividends to preferred shareholders of mortgage subsidiary	250,000	146,000
Consolidated net profit for the year	<u>\$ 3,814,000</u>	<u>\$ 3,253,000</u>

RETAINED EARNINGS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER

	1966	1965
Balance 1st January	\$ 2,387,000	\$ 3,256,000
Consolidated net profit for the year	3,814,000	3,253,000
	<u>\$ 6,201,000</u>	<u>\$ 6,509,000</u>
Deduct: Mortgage Contingency Provision	\$1,425,000	
Less income tax reduction applicable thereto	731,000	(572,000)
	694,000	
Dividends paid	1,738,000	1,487,000
Transfer to Reserve	1,000,000	1,970,000
Balance 31st December	<u>\$ 2,769,000</u>	<u>\$ 2,387,000</u>

RESERVE ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER

	1966	1965
Balance 1st January	\$ 23,000,000	\$ 17,000,000
Transfer from Retained Earnings	1,000,000	1,970,000
Premium on issue of Capital Stock		4,030,000
Balance 31st December	<u>\$ 24,000,000</u>	<u>\$ 23,000,000</u>

*(Note 1)

THE ROYAL TRUST COMPANY AND ITS WHOLLY-OWNED SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT 31ST DECEMBER, 1966

1. In the financial statements the 1965 figures have been reclassified for purposes of comparison, and also include subsidiaries not previously consolidated.

2. An analysis of securities held for Guaranteed Account is as follows:

	1966 Cost	1965 Cost
Canada bonds including guaranteed	\$ 81,878,000	\$ 80,255,000
Bonds of other governments including guaranteed	11,837,000	15,589,000
Obligations of municipalities and corporations	149,846,000	100,980,000
	<u>\$243,561,000</u>	<u>\$196,824,000</u>

An analysis of securities owned by the companies is as follows:

	1966 Cost less Reserve	1965 Cost less Reserve
Canada bonds including guaranteed	\$ 6,710,000	\$ 3,750,000
Bonds of other governments including guaranteed	436,000	436,000
Obligations of municipalities and corporations	1,610,000	1,506,000
	<u>\$ 8,756,000</u>	<u>\$ 5,692,000</u>
Preferred shares	2,247,000	1,767,000
Common shares	1,659,000	1,404,000
	<u>\$ 12,662,000</u>	<u>\$ 8,863,000</u>

Total securities held for Guaranteed Account and owned by the companies

\$256,223,000 \$205,687,000

The aggregate market values of the above securities are \$258,173,000 for 1966 and \$208,233,000 for 1965

Percentages by maturities of bonds held for Guaranteed Account are as follows:

	1966	1965
1967	57.0%	57.9%
1968	13.1	10.9
1969	19.7	12.0
1970	6.5	12.5
1971	3.2	2.9
Beyond 1971	.5	3.8
	<u>100.0%</u>	<u>100.0%</u>

3. Mortgages by principal amount due held by Guaranteed Account are as follows:

	1966	1965
Mortgages held for investment	%	%
Due within 1 year	13.7	8.8
1 to 5 years	76.5	82.2
Beyond 5 years	9.8	9.0
	<u>100.0</u>	<u>100.0</u>

Mortgages under agreement for sale

Receivable within 1 year	\$ 4,470,000	\$ 4,465,000
Receivable within 2 years	21,826,000	
Receivable within 3 years	6,910,000	23,484,000
	<u>\$ 33,206,000</u>	<u>\$ 27,949,000</u>
Total mortgages	<u>\$199,492,000</u>	<u>\$163,789,000</u>

4. Mortgages by principal amount due held by subsidiary are as follows:

	1966	1965
	%	%
Due within 1 year	4.4	6.1
1 to 5 years	19.6	26.5
6 to 10 years	42.4	36.9
11 to 15 years	30.2	27.5
16 to 20 years	2.5	2.2
21 to 25 years	.9	.8
	<u>100.0</u>	<u>100.0</u>

5. Investment Receipts are due as follows:

	1966	1965
Due within 1 year	\$344,488,000	\$271,394,000
1 to 5 years	161,471,000	132,262,000
	<u>\$505,959,000</u>	<u>\$403,656,000</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

6. Maturity dates of debentures of mortgage subsidiary are as follows:

	1966	1965
1968	\$ 7,509,000	\$ 7,509,000
1969	5,389,000	5,389,000
1972	10,000,000	10,000,000
1975	9,250,000	9,250,000
1976	2,600,000	2,600,000
1981	3,400,000	3,400,000
1985	11,750,000	11,750,000
1995	6,000,000	6,000,000
	<u>\$ 55,898,000</u>	<u>\$ 55,898,000</u>
Annual sinking fund requirements are:		
1971 to 1975 inclusive	\$ 280,000	
1976 to 1980 inclusive	\$ 120,000	
Interest rates vary between 5% and 6%		

AUDITORS' REPORT

TO THE SHAREHOLDERS OF THE ROYAL TRUST COMPANY

We have examined the accompanying consolidated financial statements of The Royal Trust Company and its wholly-owned subsidiaries as at 31st December 1966, comprising the consolidated balance sheet as at that date and the statements of consolidated profit and loss, retained earnings and reserve accounts for the year then ended and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

Clients' accounts and guaranteed funds are kept separate from the Company's own funds and are so earmarked in the books of the Company as to show the accounts to which they belong.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the companies, the aforementioned statements are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Companies as at 31st December 1966 and the results of their operations for the year then ended.

RIDDELL, STEAD, GRAHAM & HUTCHISON

Montreal, 23rd January, 1967

RECORD OF GROWTH CONSOLIDATED OPERATIONS

Year	Assets under Administration	Gross Income	Net Profit (after taxes)
1966	\$4,367,000,000	\$55,524,000	\$3,814,000
1965	3,996,000,000	43,496,000	3,253,000
1964	3,541,000,000	35,334,000	2,745,000
1963	3,266,000,000	29,435,000	2,010,000
1962	2,968,000,000	25,414,000	2,026,000
1961	2,721,000,000	21,181,000	1,761,000
1960	2,465,000,000	19,774,000	1,546,000
1959	2,329,000,000	15,594,000	1,352,000
1958	2,166,000,000	12,906,000	1,478,000
1957	1,765,000,000	11,143,000	1,100,000
1950	1,052,000,000	5,011,000	672,000
1940	760,000,000	2,692,000	359,000
1930	532,000,000	2,611,000	550,000
1920	258,000,000	1,112,000	276,000
1910	43,000,000	419,000	251,000
1900	1,500,000	30,000	15,000

